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January 29, 2016

The Honorable Orrin Hatch
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Johnny Isakson
United States Senate
Washington, DC 20510

The Honorable Mark Warner
United States Senate
Washington, DC 20510

Dear Chairman Hatch, Ranking Member Wyden, Senator Isakson and
Senator Warner:

On behalf of the National Association of Area Agencies on Aging (n4a), which represents the country's 622 Area Agencies on Aging (AAAs) and serves as a voice in the nation's capital for 256 Title VI Native American aging programs, we are writing in response to the Senate Finance Committee's request for input on the Bipartisan Chronic Care Working Group Policy Options Document. We applaud the Committee and the Working Group for their continued transparent and open process to seek stakeholder input on legislative proposals to facilitate the delivery of high-quality and cost-effective care for Medicare beneficiaries living with multiple chronic conditions. Addressing the well-known and long-standing challenges to improving care for this vulnerable population is a worthwhile endeavor that could ultimately improve care, reduce costs and make it easier for people with chronic conditions to maximize their health and wellness.

AAAs and Title VI programs are on the frontlines of the country's unprecedented demographic shift as every day, 10,000 baby boomers turn 65 and become Medicare beneficiaries. By 2030, on average one in five Americans will be 65 or older, and in some areas, that statistic will be much higher. AAAs were established under the Older Americans Act (OAA) in 1973 to respond to the needs of Americans 60 and over in every local community. By providing a range of options that allow older adults to choose the home and community-based services and living arrangements that suit them best, AAAs make it possible for older

adults to “age in place” in their homes and communities. More information on the importance of the Aging Network in supporting older adults by providing the wrap-around services needed to ensure successful aging in ways that acute health care systems do not and cannot is outlined in our June 22, 2015 letter to the Senate Finance Committee Working Group.

Although we appreciate that the options paper includes numerous thoughtful policy proposals, we are concerned that overall the possibilities outlined do not emphasize the importance of looking beyond acute health care providers in order to achieve the triple aim of better care at lower cost with greater health. Patients—even the most costly and vulnerable population struggling with six or more chronic conditions—still spend the vast majority of their time outside of traditional health care systems. It will be impossible to achieve goals to increase care coordination, facilitate the delivery of high-quality care, improve care transitions, produce stronger patient outcomes, increase program efficiency and reduce Medicare spending without committed, thoughtful, strategic and flexible engagement of community-based organizations (CBOs), including AAAs, serving seniors outside of and in partnership with the health care system. ***We encourage policy makers to recognize that community-based aging services organizations, including AAAs, address critical non-medical needs that affect health outcomes. When these needs are unmet, Medicare costs increase. An important solution is to better incorporate home and community-based service providers in future policy solutions.***

Additionally, we are concerned that the approaches under consideration by the working group put a disproportionate emphasis on Medicare Advantage (MA) leaving the nearly 70 percent of beneficiaries under traditional Medicare on the sidelines. As a general principle, we believe it serves Medicare beneficiaries and the interests of the bipartisan working group to explore advancements and improvements through both Medicare Advantage and traditional Medicare. While MA is a good option for some beneficiaries, and flexible payment models intended to incentivize better patient care coordination and preventative strategies provide exciting opportunities to innovate, over 70 percent of beneficiaries receive coverage through fee-for-service Medicare. We encourage the working group to provide a more balanced policy approach and consider advancements in both MA and traditional Medicare.

Achieving the Goals of the Chronic Care Working Group Will Require Connecting Acute Care to Home and Community-Based Services

We appreciate that Senate Finance Committee members are looking at options to:

- Provide better health care to beneficiaries at home through options such as expanding the independence at home model;
- Empower both patients and caregivers in care delivery through waiving or eliminating cost sharing for chronic care management services;
- Expand access to both prediabetes education and opportunities to more effectively “coach” patients and caregivers about care management; and
- Ensure that payment and service delivery models tested through the Centers for Medicare and Medicaid Innovation (CMMI) are transparent and include broad

stakeholder engagement.

However, we are concerned that policy proposals included in the options paper do not adequately focus on options beyond the acute health care systems to achieve these and other goals. We hope there will be a commitment to look beyond acute health care providers and changes in payment and service delivery models to achieve better care at lower cost with greater health. However, we emphasize that it would be inefficient, short-sighted and ultimately unsuccessful if medical systems attempt to replicate existing home and community-based services systems in creating and implementing innovative service delivery models. Rather, AAAs and other CBOs should be important partners to achieve increased care coordination; streamlined payment systems to incentivize appropriate care; and improved quality, outcomes and program efficiency.

Recommendations

As the Working Group's efforts move toward drafting policy proposals, we ask that you consider the following recommendations related to the Committee's goals to increase care coordination across care settings; improve quality outcomes and care transitions; increase program efficiency and contribute to an overall effort that will reduce the growth in Medicare spending:

- **Improve Care Transitions and Care Coordination by Better Integrating the Aging Network and Community-Based Organizations**

Care Transitions: We appreciate that the policy options paper includes improving care transitions among its stated, overarching goals, but we remain concerned that no single policy recommendation specifically addresses the importance of bridging the care gap between the acute health care system and establishing necessary supports at home and in the community to prevent readmissions. AAAs have demonstrated their ability to partner effectively with health care systems and state quality improvement organizations to administer care transition programs that result in seamless transitions for consumers from acute care settings to home. This is a critical to improving health outcomes and reducing repeat hospitalizations. Given AAA expertise and long-standing role in coordinating, developing and providing HCBS to achieve successful transitions, it's also critically important that policy makers, CMS and health care providers avoid medicalizing social services and supports.

The Affordable Care Act (ACA) established the Community-based Care Transitions Program (CCTP) to improve care for high-risk Medicare beneficiaries being discharged from the hospital to prevent unnecessary re-hospitalizations and avoidable health care costs. To receive funding from the program, which is administered by CMS as part of the Partnership for Patients, community-based organizations must partner with hospitals. AAAs have taken the lead in this initiative: AAAs played a key role in approximately 90 percent of sites. More than 100 AAAs received initial CCTP funding. However, n4a has serious concerns regarding how CCTP site performance was measured and evaluated by CMS. n4a is concerned that readmissions and enrollment metrics used to reflect program performance did not adequately or accurately capture site performance or

impact.

Therefore, n4a has encouraged Congress and CMS not only to pursue objective evaluation of the program, but also to consider opportunities to preserve and expand care advancements and success that were achieved through a concentrated focus on bridging hospital to home care gap. Exploring options to make care transitions activities reimbursable under traditional Medicare, and to incentivize hospitals to work with AAAs and other community-based organizations to more efficiently and safely facilitate patient transitions from acute health care settings back to the community/home, are key components to lowering costs and providing better care for high-risk patients.

Bridging Health and LTSS: Furthermore, we need to improve the level of coordination between our nation's health and long-term services and supports (LTSS, of which HCBS is a part) systems. As with care transitions, there are clear roles for AAAs to play in those activities and the wisest and most cost-effective approach is to involve the Aging Network (and other CBOs as appropriate) from the start, rather than having health systems attempt to reinvent an already successful model of home and community-based services and supports.

For example, we encourage CMS's CMMI to seed new partnerships between the medical community and the Aging Network. We appreciate that lawmakers are considering expanding and extending efforts that have the potential to better integrate health care and community services through models such as Medical Homes and new demonstration projects that better coordinate care to dually eligible individuals. However, we encourage the working group to do so with awareness, consideration and incorporation of already existing successful systems that provide non-medical support that is critical to patient health, such as the Aging Network, and that exist beyond the traditional health care paradigm. This will require federal and state lawmakers and officials to evolve awareness of the fact that HCBS is not delivered in the same manner as acute health care. As such, innovations must be seeded properly in order to ensure the highest level of success.

- **Prioritize Prevention and Wellness**

We appreciate that the committee proposes expanding programs such as Diabetes Self-Management Training (DSMT) to include interventions to help people with prediabetes reduce their risk of developing diabetes, and strongly encourage policy makers to allow a prevention program to be delivered by entities that are not currently Medicare providers. We also encourage lawmakers to look at and expand other successful, evidence-based wellness and prevention programs that can lower costs and improve quality of life for beneficiaries.

For example, the Prevention and Public Health Fund (PPHF) represents a critical investment in promoting wellness and preventing the diseases that are a primary driver of health care costs—including care costs for chronic conditions. Supporting evidence-based prevention and wellness programs for older adults is imperative, given the nation's

aging population and growing rates of chronic disease. We encourage you to build upon proven, cost-effective, evidence-based health promotion and disease prevention programs for older adults at the community level, including chronic disease self-management and falls prevention programs provided by the Aging Network under the Administration for Community Living's (ACL) leadership. These programs deliver proven results and reduce Medicare and Medicaid costs. However, the \$8 million in discretionary funds per year for these programs, now available on a limited basis in only eight states, is not sufficient to ensure that these programs are sustainable and available to those who need them. For significant savings to be realized, Medicare and Medicaid will need to play a greater role to identify, expand and replicate best practices in chronic disease self-management and falls prevention to further advance the evidence base for these effective programs.

Importance of Seeking Solutions Beyond Medicare

Lastly, while we strongly support and appreciate the Working Group's efforts to look at strategies to reduce Medicare costs for individuals living with multiple chronic conditions while improving the quality and efficacy of that care, we also strongly encourage lawmakers to look beyond policy solutions that focus exclusively on Medicare payment for acute services.

Again, we strongly recommend that policy options better and more effectively integrate acute care and LTSS. As evidenced by recent proposed regulations for Medicaid managed care, the health care landscape is changing, and there is an enhanced focus on aligning health care systems. We urge the Committee to adopt a holistic approach to services, incorporating LTSS and removing outdated restrictions that prevent Medicare from utilizing a broad array of home and community-based services in coordination with Medicaid.

Committed leadership in Congress and at CMS is necessary to create and monitor demonstration authorities that can be used to construct community-based care systems that are capable of providing both medical and LTSS services to older adults and people with disabilities. Additionally, both Congress and CMS must be willing to support the development of new or expanded quality and financial metrics that will ensure appropriate transparency and accountability in the context of care models that are designed to meet both individual and population health goals.

Thank you for your commitment to exploring innovative and bipartisan strategies aimed at creating and improving policy to better achieve a triple aim. We look forward to working with you to further identify common-sense and cost-effective solutions to serve the health and social needs of Medicare beneficiaries and to identify opportunities to better align acute care and community-based health systems.

Sincerely,

A handwritten signature in dark ink, reading "Sandy Markwood". The signature is fluid and cursive, with the first name "Sandy" and last name "Markwood" clearly distinguishable.

Sandy Markwood
Chief Executive Officer